

## Message Text

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PAGE 01 AMMAN 00129 091356Z  
ACTION NEA-02

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RUSIA FOR IOP/M: INA, IBS, IPS

E.O.11652: N/A  
SUBJECT: MEDIA REACTION: OIL PRICES

1. SUMMARY: THE ENGLISH LANGUAGE DAILY, JORDAN TIMES, IN AN EDITORIAL ENTITLED, "EXTORTION REVISITED" DISCUSSES THIS WEEK'S EDITORIAL IN BUSINESS WEEK WHICH WAS DEVOTED TO THE RECENT PRICE INCREASE BY OPEC. PART OF THE SQUABBLES THAT DOMINATE THE GLOBAL SCENE EVERY NOW AND THEN IS DUE TO THE FACT THAT WHILE SOME PEOPLE TALK VERY MATTER-OF-FACTLY ABOUT (ECONOMIC) INTERDEPENDENCE, THEY ALSO ACT AS IF INTERDEPENDENCE WERE SOMETHING TO AVOID, OR AT LEAST MINIMIZE." END SUMMARY.

2. BUSINESS WEEK, "AS GOOD A BAROMETER OF THE AMERICAN BUSINESS COMMUNITY AS THERE IS," COMPARES THE COST OF PRODUCING ONE BARREL (25 US CENTS) TO THE SELLING PRICE (13 US DOLS), AND STATES: "OIL TODAY SELLS AT A PRICE THAT BEARS NO RELATION WHATSOEVER TO ITS TRUE COST." THE RESULTING NEW ECONOMIC ORDER "ENDING ECONOMIC IMPERIALISM" AND GUARANTEEING "THE NATIONS OF THE THIRD WORLD THEIR RIGHT TO ECONOMIC WELL BEING," BUSINESS WEEK SAYS, "IS SIMPLY A POLITE NAME FOR EXTORTION ON AN INTERNATIONAL SCALE," "THE SQUEEZE ON OIL CONSUMERS WILL CONTINUE UNTIL THE  
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INDUSTRIAL NATIONS FIND A WAY TO BRING THEIR OWN ECONOMIC STRENGTH TO BEAR ON OPEC AND RESTORE A FREE MARKET IN OIL."

3. SUCH A POSTURE, RETORTS THE JORDAN TIMES, JUST MAKES DIALOGUE "MORE HARSH AND LESS PRODUCTIVE" AND BUSINESS WEEK'S REASONING IS "AS FULL OF HOLES AS A CHUNK OF SWISS CHEESE." "THE PRIME OF OIL IS NOT SET ACCORDING TO ITS COST OF PRODUCTION,

BUT TO ITS TRUE VALUE TO THE BUYER." IF EXTORTION IS TAKING PLACE, "IT IS ONLY EXTORTION INsofar AS IT MAKES RADICAL MEASURES TO REMEDY THE YEARS OF PLUNDER BY WHICH THE WEST HAD BUILT A MASS CONSUMER SOCIETY ON THE BASIS OF CHEAP, MOSTLY ARAB, OIL."

4. "THE NEW ECONOMIC ORDER IS THREATENING TO BUSINESS WEEK, BECAUSE IT SEEKS TO END THIS PLUNDER, AND TO INSTITUTE PRICING MECHANISMS FOR COMMODITIES ON THE BASIS OF FAIR REVENUES FOR THE PEOPLES OF THE THIRD WORLD." "THIS IS SOMETHING THE READERS OF BUSINESS WEEK ARE AFRAID OF BECAUSE IT MEANS THEY WILL, IN LARGE PART, HAVE TO START MAKING MONEY HONESTLY."

5. THE JORDAN TIMES THEN TAKES A LOOK AT THE IMF LOAN TO GREAT BRITAIN CALCULATED "ON THE BASIS OF EXPECTED NET NORTH SEA OIL REVENUES" AT TODAY'S PRICES. "IF A FREE MARKET IN OIL IS WHAT BUSINESS WEEK SEEKS, IT SHOULD TAKE A GOOD LOOK AT WHAT WOULD THEN HAPPEN TO THE INVESTMENTS THAT HAVE GONE INTO THE NORTH DEA AND ALASKA." "TO VIEW THE OPEC PRICE SYSTEM AS "EXTORTION" IS TO ADMIT THAT THE WESTERN ECONOMIES ARE CONCERNED ONLY ABOUT THEIR OWN HEALTH, WHICH IN TURN MAKES US BELIEVE EVER MORE FIRMLY THAT THE BASIC HEALTH OF THE WEST HAS BEEN SUSTAINED AT THE EXPENSE OF THE RETARDED CROWTH OF THE THRID WORLD. IF EXTORTION WILL HELP START BALANCING THIS HISTORICAL INBALANCE, EXTORTION IS SOMETHING WE CAN USE SOME MORE OF."

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## Message Attributes

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